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South Carolina House of Representatives

Legislative Update

Robert J. Sheheen, Speaker of the House

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Legislative Update, January 1993

Results of the 1992 Issues Survey

Ranked third in the 1991 survey, this time highway department reorganization topped the list of issues in this year's membership survey of priority issues for the 1993 session. The national preoccupation with health care and health insurance also is reflected in this year's results. Also ranked high in the survey were auto insurance reform, control of highway funds, and education matters, including funding and school dropouts.

How the Survey Was Conducted

This was the seventh (7th) year the House Research Office conducted an issues survey of the membership prior to the opening of the session. The surveys were mailed to the members on Tuesday, November 24. This year's response rate was slightly higher than last year's response, when 71 of 120 members (or 59 percent) responded. (There were 4 vacancies in the House at the time the 1991 survey was mailed out.) For this survey, 76 of 124 members (or 61 percent) responded.

As in years past, House members were asked to rank a wide variety of issues, 23 in all. Issues used in this survey were compiled by the House Research Office from committee staffs and other sources. A scale of 1 to 5 was used to rank the priority of the issue, with 5 representing the highest priority and 1 the lowest. Space also was provided for members to list any priority issue not appearing on the list provided. In addition, representatives were asked to name the top three issues for the 1993 session, allowing them to include in the top three issues any topic not contained among the 23 issues listed in the survey.

It is important to note that the survey results in no way reflect how members will vote on a particular bill. Rather, the sample is an indication of the issues survey respondents believe should be given priority attention during the upcoming legislative session.

How the Issues Ranked

Listed below is how survey respondents rated the 23 issues listed in the survey. A brief description of each issue, which was included in the survey, is repeated here for better understanding of the issues. Following this list are graphs which indicate how each issue scored.

1. HIGHWAY DEPARTMENT REORGANIZATION
 Legislation to reorganize the State Highway Department.
2. DEPARTMENT OF SOCIAL SERVICES REFORM (DSS)
 Legislation to reorganize DSS to provide for more and better services.
3. SCHOOL DROPOUTS
 Legislation to better educate those students not bound for college for the changing, more sophisticated workplace.
4. CONTROL OF HIGHWAY FUNDING
 Legislation to change control of state highway money.
5. AUTO INSURANCE
 Legislation to reform the state's automobile insurance laws, with the goal of reducing insurance premiums.
6. HEALTH CARE
 Legislation to provide health coverage for the uninsured and to control health care costs.
7. ABC COMMISSION
 Legislation to modify the organization of the Commission.
8. GOVERNMENT RESTRUCTURING
 Legislation to reorganize state government under an Executive Cabinet system.
9. HAZARDOUS WASTE
 Legislation to reduce the amount of toxic waste generated in South Carolina and to require industries to maintain hazardous chemical list.
10. WORKERS' COMPENSATION
 Legislation to reduce cost and increase availability of workers' compensation.

11. EDUCATION REFORM
Legislation to combine existing education funds to finance proposals for reform.
12. USE OF HIGHWAY FUNDS
Legislation to reallocate highway funds to different highway programs.
13. WETLANDS' PROTECTION
Legislation to protect and regulate the state's freshwater wetlands.
14. EDUCATION FUNDING
Legislation to fund more school programs on an equity basis rather than a per-pupil basis.
15. LENGTH OF LEGISLATIVE SESSIONS
Legislation to shorten the length of legislative sessions.
16. TERM LIMITATIONS
Legislation to limit the number of years legislators can serve in office.
17. SCHOOL CHOICE
Legislation to allow parents to send children to public schools outside their districts and/or to private schools with vouchers.
18. VIDEO POKER MACHINES
Legislation to prohibit payoffs for winners playing video machines.
19. STATE LOTTERY
Legislation to establish a state lottery.
20. ANNEXATION
Legislation to facilitate annexation by municipalities.
21. SUNDAY LIQUOR SALES
Legislation allowing liquor to be sold statewide, as opposed to current local-option system.
22. MINI BOTTLES
Legislation to abolish mini-bottles and permit sales of alcohol by the drink.
23. ABORTION
Placement of additional restrictions on the practice.

How the 23 Issues Were Ranked

Each issue was ranked by computing the number of votes it received in each of the 1 to 5 priority rankings. With the number of responding House members, the highest possible score was 380 and the lowest was 76. For example, the top rated issue, reorganization of the Highway Department, received a score of 331. This score was computed by multiplying by 5 the 45 "five" priority votes the issue received; by 4 the 19 "four" priority votes, and so on. Answers in the "no opinion" column or questions left blank were not used. By computing a weighted score for each issue, they could be fairly compared and ranked.

The following chart lists each issue in order of priority ranking and the number of votes it received in each category. The "no opinion" votes are not shown since they count nothing toward the final score.

<u>Potential Issue</u>	<u>Priority</u>					<u>Total</u>
	High-----				-----Low	
	5	4	3	2	1	
Highway Department	225	76	24	4	2	331
Dept. Social Services	180	104	33	0	2	319
School Dropouts	165	112	36	4	1	318
Control Highway Funds	210	84	18	2	2	316
Auto Insurance Reform	220	56	27	4	6	313
Health Care Reform	165	92	36	6	4	303
ABC Commission	160	88	36	10	2	296
Government Restruct.	185	40	33	8	12	278
Hazardous Waste	90	96	81	6	3	276
Workers' Compensation	100	112	57	2	4	275
Education Reform	105	100	48	10	3	266
Use of Highway Funds	100	80	54	12	7	253
Wetlands Protection	60	88	60	26	6	240

<u>Potential Issue</u>	Priority					Total
	High-----Low	5	4	3	2	1
Education Funding	95	92	30	14	8	239
Shorter Sessions	90	68	48	18	14	238
Term Limitations	100	32	42	20	23	217
School Choice	105	28	30	28	21	212
Video Poker Payoffs	70	44	57	18	22	211
State Lottery	60	48	48	20	24	200
Annexation	25	68	51	26	21	191
Sunday Liquor Sales	40	36	57	22	29	184
Mini Bottles	25	36	75	18	23	177
Abortion Restrictions	50	24	27	24	38	163

Other Issues

Besides the 23 issues listed in the survey, House members added several issues of their own. Those issues are listed below, in broad categories:

- State Budget. Several respondents urged that the budget be based on the preceding year's revenue collections instead of basing the budget on anticipated revenue growth.
- Right of initiative/recall.
- Judicial reform and selection improvement.
- Improvement of state's infrastructure (water, sewer and highways).
- DUI legislation.
- Welfare reform.
- Homestead exemption limits.
- Mandates/Regulations. One House member expressed concern about the state issuing mandates without the accompanying funds to pay for them. Another member stated that the bureaucracy's ability to make regulations without the approval of the General Assembly should be limited.
- Re-examination of tax exemptions.
- Silent prayer in schools.
- Land Transfer Act.

Naming the Top Three Issues

As the final part of the survey, House members were asked to name the top three issues to which they thought the General Assembly should give top priority during the upcoming legislative session. Virtually all the survey respondents answered this part of the survey. The top three issues listed by survey respondents were:

1. Government Restructuring
2. State Budget (Revenue forecasts, etc.)
3. Auto Insurance Reform

The issues listed above are somewhat at variance with survey rankings, which may be attributed in part to recurring news over the tight state budget. Additionally, the variance may be explained by the wide spectrum of topics each of the above issues can include. For example, government restructuring could include reform of the Highway Department (priority ranking #1), the Department of Social Services (priority ranking #2) or also the Alcoholic Beverage Control (ABC) Commission (priority ranking #7).

Other issues listed frequently for the top three listing include:

- Education funding/reform.
- Specific agency reorganization (highways, DSS, etc.)
- Health care costs/improved access.

Background on the Issues

To assist House members with upcoming speeches, newsletters and constituent correspondence, listed below is some background information on the issues ranked in this year's membership survey, in order of their ranking. Thanks is given to the staffs of the House standing committees for providing information on these issues.

(1) Highway Department Reorganization

Several bills have been introduced in the last few years to restructure and reorganize the state Highway Department. One bill, H. 3139, would have abolished the Department of Highways and Public Transportation, to be replaced by a Division of Highways and Public Transportation under the office of the governor. Another measure, S. 494, would have restructured the Highway Department by reducing its size, changing its personnel structure, increasing its divisions, creating an administrative panel, and establishing the office of ombudsman to investigate problems or complaints raised by the public. The bill also called for improved fiscal accountability in the department, by requiring, among other things, the department

to process its purchases of goods and services and personnel services through the Comptroller General's office. While the bill did not pass, several of its fiscal and administrative reform provisions were adopted in the 1992-1993 Appropriations Act. A state grand jury has made several recommendations to encourage internal reform of the department, including, for example, a revision of department procedures to punish contractors for violations, but Attorney General Travis Medlock wishes to go even further, stating that the General Assembly must restructure the entire department. A number of bills concerning the department's organization are expected to be introduced in the 1993 session.

(2) Department of Social Services Reorganization

During the last session, the General Assembly, concerned about the management practices of the State Department of Social Services (DSS), temporarily transferred the department's powers and duties to the State Budget and Control Board, pending further action by the General Assembly. Among the management practices which concerned the General Assembly was the department's inability to cooperate with other agencies and branches of state government as well as the department's inability to cooperate with and assist the General Assembly and the Executive Branch in efforts to resolve the many financial and organizational problems of the department. As the Budget and Control Board's operation of DSS is only temporary, the General Assembly must determine the type of permanent structural change necessary to improve the management and efficiency of DSS.

(3) School Dropouts

During the 1992 legislative session, a concurrent resolution was adopted which called for the study of issues pertaining to middle, junior high and high school students who likely will not attend college or will drop out of school. As almost 1/3 of South Carolina's students drop out of high school and the majority of students do not pursue post-secondary education, there has been concern that these students lack the skills necessary to obtain employment in today's workforce and the workplace of the future. As authorized by this resolution, a committee has been created to examine these issues and seek information on classes, programs and apprenticeship programs which may prepare non-college-bound students for well-paying employment.

Although the committee's final report will not be issued until December of 1993, its first of two interim reports was issued last month. This first report noted that the committee has met with several sources, including representatives from the Education Commission of the States and the Southern Regional Education Board (SREB), about new initiatives in other states. The committee also has divided into subcommittees to examine various aspects of the school dropout problem; for example, one subcommittee is examining both American and foreign apprenticeship programs. The committee is examining several options to prepare students for the workforce.

The committee's second interim report, due this June, will focus on specific programs being tried in other states and countries to better prepare students for the work force.

At the national level, it is expected that President-Elect Clinton, upon assuming office January 20, will focus much of its education program on those high school students who do not go onto college. The new president may consider a proposal under leading to the creation of 300,000 youth apprenticeships, in which on-the-job work experience would be combined with the latter two years of high school and two years of community college education. The estimated cost of these apprenticeships over a 4-year period is \$1 billion.

(4) Control of Highway Funds

Controversy surrounding the state's "C" Fund paving program has escalated in recent years. This program was established in 1946 to pave farm-to-market (or secondary) roads, but today the purposes for which C. fund money may be used have expanded. Legislative control of this fund and its alleged misuse have led to unfavorable publicity in the media over the last several years. There are accusations that roads are paved or improved with C. funds for political purposes or because of political connections instead of objective criteria or priorities as determined by the local public works department. There is also concern that use of C. funds to pave roads is putting more miles of roads under state control, the result being a state road system which had become too large and expensive to maintain. (Although South Carolina ranks 25th in population and 40th in land size, the state has the 5th largest state-maintained highway system.)

A lawsuit was filed challenging the constitutionality of the C. funds, and on October 14, 1992 the State Supreme Court nullified legislative control of the funds on grounds that the control violated the separation of powers. The Court did not indicate who should allocate the funds, however. One legislator has proposed using the funds to draw matching federal dollars and to maintain state roads, as many miles of South Carolina's state roads are in need of repair. There also may be an effort to delegate allocation authority of C. funds to county governments.

(5) Auto Insurance Reform

The 1993 session will likely see further attempts to reform the state's compulsory automobile insurance system. While the average expenditure for automobile insurance in this state is \$476.22 annually and consumers continue to complain about the high cost, the most recent study of the 50 states and the average expenditure on automobile insurance in each showed that the average expenditure in 1990 declined by 3.6 percent. This means that while in some states the average expenditure increased, ours actually decreased slightly. While over a 3-year period, South Carolina's average expenditure did increase 7.9 percent, this was still less

than one-half of the 3-year percentage increase in average expenditure for the nation.

Comprehensive attempts to address the state's high automobile insurance rates were unsuccessful in 1992. One of the major legislative packages introduced last session was H. 4521, which would have allowed motorists to choose a no-fault insurance package to provide personal protection in case of an automobile accident rather than the traditional fault insurance now required by law.

Another effort also may be launched to repeal a law requiring companies to sell physical damage coverage (comprehensive and collision) to virtually all drivers. South Carolina is the only state with such a law. Currently, an insurer can refuse to write physical damage coverage for drivers who do not qualify for the safe driver discount or who have filed two or more claims for fire or theft losses within a 3-year period. Repeal of the mandate to write physical damage coverage would mean that this coverage could no longer be placed in the Reinsurance Facility, which should lead to a reduction in the recoupment fee for most drivers.

(6) Health Care Reform

Although this has become a prominent issue at the national level recently, the issue also is being debated at the state level, and in fact some states already have taken action to control health care costs and to improve access to health care for its citizens. The health care crisis has three components---access, costs and quality---all three of which are interrelated. Health spending on a per capita basis in South Carolina has skyrocketed from \$125 in 1966 to \$1,571 in 1990, and the state's level of Medicaid spending has also risen significantly during that time. In addition, the cost of health services provided to employees and dependents under state health coverage is increasing rapidly, from \$211 million in calendar year 1988 to a projected \$364 million for calendar year 1992.

Despite increased state spending on health care, a large number of South Carolinians lack affordable and decent health care. Many sections of the state have a shortage of health care professionals, and large numbers of South Carolinians either lack health insurance or are underinsured. According to a recent report, some 365,000 South Carolinians have no health insurance for the entire year, and another 250,000 have insurance for only part of the year. Another 400,000 are underinsured. The report also notes that about 200,000 South Carolinians choose not to obtain needed health services, primarily because they cannot afford to pay for those services. The number of uninsured in South Carolina increased rapidly in the late 1980s because these people or their employers could no longer afford health insurance. Nationally, estimates have placed the number of the uninsured as high as 37 million---more than 1 out of every 7 Americans. A June 1991 Gallup Poll indicated that 8 percent of Americans believed that the health care system must

reformed, and 51 percent believed that the federal government bears the bulk of responsibility for reform. Health care reform has been debated in Congress in recent years, and the Clinton Administration is expected to introduce its health care proposal before Congress early in 1993. Congress is divided over the shape of reform, with some members favoring a universal, single-payer system (i.e., "national health insurance") and others favoring a "managed competition system" whereby private insurance would retain a major role in providing health coverage.

Many statehouse leaders believe that if eventually there is a national consensus on health care reform, it will have to be shaped by state initiatives. Several states, in fact, have taken the initiative on health care reform. In 1974, Hawaii enacted a law which requires employers to provide coverage for their full-time workers, with employers paying part of the cost of coverage. Florida, Minnesota and Vermont are also phasing in coverage and making efforts to control the growth of health care expenditures in their states.

(7) ABC Commission

Restructuring of the ABC Commission is likely to be considered in 1993, in wake of recent scandals at the commission. Restructuring may include placing the commission's law enforcement functions under the State Law Enforcement Division (SLED), as advocated recently by Speaker Sheheen. Also, the commission's licensing review authority may be placed under a general licensing review board to be established to oversee all licenses granted by the state. A task force studying the commission may recommend that some of the ABC Commission's functions be transferred to the State Tax Commission.

(8) Government Restructuring

In March of 1991, an executive order was issued establishing the Commission on Government Restructuring. The purpose of this commission was to develop a long-term plan to restructure state government to provide more efficiency, effectiveness and accountability in state services for the people. The commission found that South Carolina's current structure is inefficient because of (1) fragmentation; (2) duplication of effort; (3) ineffective allocation of scarce resources; and (4) a lack of administrative accountability to anyone. Consequently, the commission recommended a cabinet form of government in its restructuring plan presented to Governor Campbell. Under this cabinet, the governor would be responsible for the administration of government departments, and agencies and government departments would be accountable to the governor.

Several bills were introduced during the last session which would create an executive cabinet system in accordance with the commission's recommendations. H. 3114 would have amended the Constitution so as to provide that the governor shall appoint

executive branch officials who currently are elected by popular vote, namely, the positions of secretary of state, attorney general, treasurer, state superintendent of education, comptroller general, and adjutant general. H. 4334 would have established, within the office of the governor, 15 departments under the supervision of a cabinet head. These heads of cabinet departments would have been appointed by the governor with the advice and consent of the Senate. The cabinet heads would have acted as heads of departments "organized as far as practicable according to major purposes and functions as determined by the General Assembly." With the state facing a tight budget, and the governor claiming the crisis should provide an incentive for the creation of a cabinet system, the issue of government restructuring may well be revived in the upcoming session.

(9) Hazardous Waste

Concerned that South Carolina has suffered environmental, public and occupational health problems over the years because of releases of toxic and hazardous materials, bills were introduced during the last session to establish a goal of reducing the level of toxic waste generated in the state and to require industries that use, manufacture, store, process or produce hazardous materials to maintain a hazardous chemical list. These measures may receive further consideration in 1993.

(10) Workers' Compensation

Although not as severe a problem as in other states, the issue of workers' compensation costs has received more attention in South Carolina in recent years. Nationally, employers' costs of providing coverage to workers has more than quadrupled over the last 20 years, from an average of \$93 to cover a worker in 1972 to \$500 by 1990, while the average medical claim on lost-time cases more than doubled in the 1980s, from \$2,100 in 1981 to \$5,400 in 1989. Increased costs have been attributed to inflation-driven higher medical costs, increased litigation (especially to recover lost income), expansion of injuries covered and growth of other occupational diseases (for example, asbestos-related disorders).

In South Carolina, while the number of cases has fluctuated over the last decade, benefits from the program have more than tripled, from about \$81 million in Fiscal Year 1981 to \$287 million in Fiscal Year 1991. Insurance companies have found workers' compensation to be unprofitable in this state, as the industry hasn't made a profit in that sector in South Carolina in years, despite increasing premiums. According to one report, insurers in this state pay out about \$1.16 in claims and expenses for every \$1 they collect in workers' compensation premiums. In 1992, one of the state's largest insurers, USF&G, stopped all underwriting of workers' compensation insurance in South Carolina, and another company, Liberty Mutual, considered doing so as well. The core of the problem is losses in the state's assigned risk pool. Ideally, businesses would purchase workers' compensation coverage from a

private insurer, but there are some businesses for which insurers will not provide coverage. These businesses thus enroll in the state-assigned risk pool, which operates at a loss. The losses from this pool are assigned to insurance companies operating in South Carolina, based on their share of the voluntary market. In turn, insurance companies try to pass on these costs in the voluntary market in the form of higher premiums. In 1991, losses from the state risk pool assigned to insurance companies totaled \$67 million.

While there is concern about the rising costs of workers' compensation, there is no legislative consensus on how to reduce or check cost increases. Legislation addressing the availability of workers' compensation may have a better chance of approval. One bill that may be introduced is a measure which would allow private employers to obtain workers' compensation coverage through the State Fund only if the Budget and Control Board declared that the private workers' compensation market had collapsed or was no longer adequate to meet the needs of employers in South Carolina (introduced as S. 1231 in the 1992 session). Other options for reform include increasing health and safety inspections to reduce accidents and stiffening penalties and enforcement against fraud. (According to one study, 10 percent of all claims paid---more than \$17 billion---is lost each year to fraud.)

(11) Education Reform

Two proposals are being developed to better fund education reform programs, through combination of existing education funds. The two proposals are listed below:

Proposal #1: The first plan is for monies currently used for various innovation programs, some of which were funded initially as pilots, to be used to facilitate a single school planning and continuous improvement process. The proviso calls for the plan to be written with input from educators and the Business-Education Partnership before being presented to the EIA Select Committee. The questions of which pots of money will be included in the distribution and how the monies will be allocated will be answered in the plan.

Proposal #2: The first of the National Education Goals states that all children will begin school ready to learn. South Carolina already has initiated programs to address the identified needs of at-risk 4 year-olds and the parents of all children. However, these programs do not necessarily coordinate the services to children. The issue is how and where to expand current collaborative efforts with schools and appropriate health and social service providers. This plan also is to be written with input from the groups mentioned above and will address monies to be included and how these dollars will be allocated.

The State Department of Education is in the process of developing these two plans, which will require some type of legislative action in the near future.

(12) Use of Highway Funds

Under current state law, money allocated to the SHIMS fund (Strategic Highway Plan for Improving Mobility and Safety) must be spent according to a formula, with at least 40 percent based on socioeconomic factors (e.g., farm acres per square mile, per capita income, etc.) and at least 40 percent based on transportation factors (e.g., average daily traffic, economic benefit, etc.). An effort may be made to change the funding formula so as to shift more funds to fast growing urban and suburban areas of the state.

There also may be a renewed effort to spend more money on bridge repair and construction. Two bridges have collapsed in Fairfield County in the last 8 months, including one on January 5 of this year in which one person was killed. A fourth of the state's 9,000 bridges are regarded as substandard, and many of these need to be repaired or replaced, but the cost of doing so is very high---an estimated \$1.3 billion. Perhaps the biggest bridge replacement looming in the state are the twin bridges over the Cooper River which connect Charleston with Mount Pleasant. The 2 aging bridges, one of which dates to 1929, need to be replaced, and a study released last fall by the State Highway Department indicated that construction of a new bridge or bridges may cost up to \$384 million. Federal funding will be sought for the project, but if such funding is inadequate the state may be forced to pick up a large share of the cost.

(13) Wetlands' Protection

Although South Carolina protects wetlands in saltwater areas, there is no such protection for freshwater wetlands. Noting that freshwater wetlands provide many benefits, including flood control, pollution control, and areas for recreational activities such as boating and hunting, and that these wetlands are endangered increasingly by population growth and resultant development, a freshwater wetlands protection bill (H. 3414) was introduced during the last session. This bill would have declared that it is the state's policy to achieve a goal of no overall net loss of regulated freshwater wetlands, based on function and value. In implementing this objective, the interim goal would have been to achieve no overall net loss of the state's remaining wetlands base, with the long-term goal being to increase the quantity and quality of the state's wetlands resource base. The state's remaining wetlands base would have been defined in terms of acreage and function.

The bill defined freshwater wetlands and classified them into four classes: (1) Wetlands adjacent to navigable streams; (2) Wetlands adjacent to non-navigable streams; (3) Isolated wetlands; and (4) Manmade wetlands. No permit would have been required for

activities taking place in manmade wetlands unless endangered species or critical ecological habitat had been impacted, or for a number of activities including (but not limited to) normal farming and ranching (using "Best Management Practices"), maintenance of farm and stock ponds, or activities associated with normal maintenance of existing public and private roads, streets, highways and bridges.

For activities not falling under the above-mentioned exceptions, a person would have been required to obtain a wetlands permit from the newly-created wetlands commission, in addition to any other permits required from other state or federal agencies. The commission could have considered a number of criteria in considering a permit, among those criteria being the public interest in preservation of natural resources and the interest of the property owners, the economic benefits to the public and the State that result from this activity, and the size and type of wetlands where the activity is to be located. The applicant also would have been required to submit to the commission a compensatory mitigation proposal to address the long and short term economic, environmental or natural resources benefits that might be lost under this activity. If a proposal were not submitted, the permit would be denied, though submission of a proposal would not have guaranteed that the permit would be issued. Civil and criminal penalties would have been assessed for violations of this protection measure.

The bill would have encouraged local governments to preserve wetlands acreage through mechanisms such as trust funds and transfer of development rights. A State Wetlands Trust Fund would have been created for the acquisition, rehabilitation and restoration of wetlands.

(14) Education Funding

During the last session there was debate about funding public education fringe benefits based on an equity formula versus a per-pupil method. Eventually the legislature agreed to fund these benefits for the current fiscal year based half on an equity basis and half on per-pupil cost, though it is uncertain whether this formula will continue in the next fiscal year. A study to fund other educational components on an equity basis (as opposed to a statewide per-pupil basis) is being conducted and may be further discussed in the upcoming session.

(15) Length of Legislative Session

Several bills were introduced during the last session to shorten the length of annual sessions. H. 3127 would have pushed back the beginning of the annual session to the second Tuesday in February, as opposed to the current beginning the second Tuesday in January. Each house could meet between the second Tuesday in January and the second Tuesday in February, however, if called to meet by the Speaker of the House or President Pro Tempore of the

Senate. H. 3208 was similar to H. 3127 except the former had no provision for meeting prior to the second Tuesday in February. Yet another measure, H. 3128, would have changed the mandatory adjournment date of the General Assembly from the first Thursday in June to the second Tuesday in May. This measure won approval in the House in 1991 but did not clear the Senate Judiciary Committee.

Length of legislative sessions varies widely not just across the nation but also in the South. In Georgia, for instance, sessions run 40 legislative days, generally between mid-January and mid-March, while in North Carolina sessions generally run longer in odd-numbered years (generally up to 6 months) than in even-numbered years (generally 1 to 2 months). In Virginia, sessions run for 30 calendar days in odd-numbered years and 60 calendar days in even-numbered years, with sessions commencing in January.

(16) Term Limitations

Several resolutions were introduced during the 1992 session calling for a constitutional amendment to limit legislators' terms. One proposal, H. 3424, would have limited House members to six consecutive terms and members of the Senate to three consecutive terms, although a legislator could be exempted from this requirement by submitting a petition signed by a quarter of the electors in his district. Another measure, H. 3594, was similar to H. 3424 except that H. 3594 provided no exception to limits on legislators' terms and also called for limiting the state's constitutional officers to two consecutive four-year terms. H. 4276 was a stricter measure, limiting the terms of House members to four consecutive terms and the terms of Senate members to two consecutive terms. State constitutional officers would have been limited to two consecutive four-year terms. In addition, persons popularly elected to any office of a political subdivision of the state would have been limited to two consecutive terms.

Nationally, support for term limits appears to be on the increase. For instance, one poll taken in October of 1991 found that 75 percent of Americans favored term limits for members of Congress. Disgruntlement with government, and incumbents in particular, appear to foster support for the movement. Supporters claim that term limits will bring fresh ideas and perspectives to the legislative process, reducing "careerism" in government, and also would make elections more competitive. Opponents claim that term limits are indiscriminate, as both "good" and "bad" legislators would be forced from office, and worry that term limits would enhance the power of the bureaucracy and of lobbyists. Opponents argue as well that term limits are unneeded, as there is frequent turnover in state and federal positions. In South Carolina, for instance, almost three-quarters of legislators serving in 1979 were out of office ten years later. Of the 46 senators elected last year in South Carolina, almost 1/3 (14 members) are new, and of the 124 state representatives elected here last year, almost 1/4 (29 members) did not serve during the 1991-

1992 session. Additionally, of the 435 members of the 1993-1994 U.S. House of Representatives, 110 are newcomers, elected for the first time last November.

Despite these changes, the term limit phenomenon continues unabated, as 14 states voted for term limits in last year's general election. In 11 of those 14 states the limits won 60 percent or greater approval. In those 14 states the limits apply to congressmen and U.S. senators, and while the details of the measures varied from state to state, generally they set limits of 12 years for senators and 6-12 years for congressmen. In all but one of those 14 states the limits apply also to state legislators. It is unclear whether states can enforce term limits on their federal officials, and cases challenging the constitutionality of these limits are very likely, though probably not until the end of the decade, when the limits otherwise would begin to take effect.

1990 was the year when states began to enact term limit measures. Provisions of the states term limit measures varied. California's limits, approved by initiative in 1990, constitute a life-time limit on terms. Representatives may serve no more than three terms and senators may serve no more than two terms, whether or not consecutive. Most elected executive officers in that state also have their terms limited. Oklahoma passed term limits also in 1990, limiting legislators to 12 years in office, whether acquired in one house or both. On the other hand, Colorado's 1990 term limit initiative applies only to consecutive terms. No legislator can serve more than eight years in each house of the legislature, while members of Congress are limited to 12 consecutive years in office.

(17) School Choice

This issue received increased interest last fall, as seen by the debate between Secretary of State Jim Miles and State Superintendent of Education Barbara Nielsen over the former's support for choice in schools. The secretary of state, along with the South Carolina Policy Council, have initiated a "Save Our Schools" campaign under which parents could receive vouchers to pay for their child's education at any public or private school. This plan is similar to one proposed by outgoing President Bush. Supporters claim that their measure will increase competition in schools and lead to dramatic improvement in education. Opponents claim that a voucher system would harm public education. Education Superintendent Nielsen declined to join the "Save Our Schools" campaign, as her spokesman claimed the campaign would duplicate the work of a State Chamber of Commerce committee which is studying the issue of school choice. Though the issue of choice in schools has been less prominent in South Carolina in recent years, efforts to promote school choice have intensified in other states as concern has grown over the quality of education provided in the nation's public schools. Arkansas, Iowa, Minnesota and Nebraska are among the states which have passed public school choice legislation in recent years.

Bills were introduced in the House and Senate in 1991 to promote school choice in South Carolina. One measure, H. 3881, would have provided students with vouchers to attend a public or private school outside the district in which they reside, subject to various restrictions and conditions. The student's desire to attend a public school outside the district could not, for instance, violate a court-ordered desegregation ruling or contribute greatly to racial imbalance at a school. Another bill, H. 3087, would have allowed students to attend only a public school outside their school district. Though Governor Campbell endorses the concept of school choice, he has yet to indicate whether private schools should be included in this concept (in other words, he has not indicated whether vouchers should be used to send children to private schools). Some people are concerned that a voucher system would raise questions about church and state separation, as tax dollars would help pay for students' education at private or parochial schools. In addition, there are questions about the equity of a voucher system involving private schools, unless the private schools are required to accept anyone who seeks admission. A measure providing for school vouchers in Colorado lost by a 2 to 1 margin in the November 1992 general election. This measure would have provided parents with vouchers to send their children to a public or private school.

(18) Video Poker Payoffs

In April of 1991, the State Supreme Court declared that payoffs from video poker machines are legal, and since then a number of video poker lounges have opened in which the machines are the only attraction. Previously, the machines were located only in convenience stores, bars and restaurants. The number of video poker has increased since the court ruling, with almost 17,000 video poker businesses currently licensed in the state. The State Tax Commission is expected to collect almost \$28 million from licensing the machines (at \$1,500 a machine) in the current fiscal year, but is concerned that a substantial amount of the profits resulting from the machines go unreported, denying the state tax revenue.

There have been attempts in the past to ban video poker payoffs. Legislators supporting a ban claim that the machines promote more widespread gambling and corrupt people. Payoff opponents worry that the machines promote compulsive gambling and can drive people into poverty trying to win. Opponents of a payoff ban claim that South Carolina, being in a prolonged period of slow state revenue growth, badly needs the revenues brought in from the machines and that thousands of people who own, operate or fix the machines would become unemployed were payoffs to be banned. Opponents of a ban also argue that if a ban were enacted, people would travel out-of-state to play the machines, spending money that otherwise would be spent in South Carolina.

(19) State Lottery

Last November, voters in Georgia approved a constitutional amendment which repeals that state's prohibition on lotteries. Georgia's lottery is expected to begin ticket sales by next summer. In establishing a lottery, Georgia joins 34 other states which have one. Lottery proponents in that state hope it will raise \$250 million a year for education. Some South Carolinians are concerned that many of our state's residents will travel to Georgia, easily accessible via Interstates 20, 85 and 95, to buy lottery tickets, depriving South Carolina of revenue it could collect were there a lottery here. (A November 11, 1992 editorial in the Columbia State noted that in the 4 years the Virginia lottery has been in operation, an estimated 15 percent of the \$2.7 billion in lottery revenue collected came from out-of-state purchasers, most of them neighboring North Carolinians.) Aside from Virginia, other southern states with lotteries are Florida, Kentucky, Louisiana and Texas. Proponents claim a lottery is an easy way to raise millions in revenue at a time when there is concern about the level of funding for state programs in the coming fiscal year. In contrast to a broad-based tax such as a income tax, the lottery is seen as a "voluntary" tax, whereby only those who purchase lottery tickets are "taxed." If a lottery were established in South Carolina, the proceeds could be used exclusively for education (as is done currently in about a dozen states) or could be used for other purposes.

Opponents claim that the lottery does not create wealth but rather recirculates money and generally is not good for the economy. There is also concern that the people most likely to play the lottery are the ones who can least afford to do so (i.e., the poor) and that the lottery weakens the work ethic. Additionally, opponents worry that lottery revenue is unreliable, as it may fluctuate from year to year.

In modern times, the first lottery bill to be introduced in South Carolina was in 1981. Other bills proposing a lottery have since been introduced but each has died in committee. With Georgia soon to have a lottery, however, and North Carolina showing renewed interest in one, this issue may receive greater attention in the upcoming session.

(20) Annexation

South Carolina has one of the most restrictive laws pertaining to annexation by municipalities. Although state law provides three general methods for annexation, two have been declared unconstitutional by the courts, leaving only the "75 percent/100 percent" petition ordinance method for annexation available. This method permits annexation by either of the following two standards: (1) At least 75 percent of the freeholders owning at least 75 percent of assessed valuation of real property in an area proposed for annexation sign a petition in favor of annexation; or (2) a petition signed by all persons owning real estate in an area

requesting annexation. An annexation ordinance may then be enacted by the municipal council, and no election need be held under this method.

Legislation to modify the state's annexation laws may be introduced this session. The South Carolina Municipal Association would support a measure modifying the "25 percent petition/election" method. This method, which provides for annexation by petition of 25 percent or more of freeholders (property owners) residing in an area proposed for annexation and subsequent election held in that area, is one of the two annexation methods which have been declared unconstitutional. However, this method would avoid the present constitutional defect with slight changes in wording, to provide for a petition signed by 25 percent of the electors instead of freeholders.

Proponents of annexation are concerned that current laws on annexation are detrimental to municipalities, claiming that the laws hinder the ability of municipalities to promote orderly growth and coordinated service delivery. Most of the growth in the state's metropolitan areas has been on the fringes of the cities, in the suburbs. Among South Carolina's larger cities, Greenville and Spartanburg each had fewer residents in 1990 than they did in the 1970s (though Columbia's population has increased since 1990 through several annexations). In contrast, in neighboring North Carolina, annexation laws are less restrictive. For example, the city of Charlotte grew 64 percent between 1970 and 1990, while in that same period the city of Raleigh grew 69 percent. South Carolina's largest city, Columbia, actually lost 14 percent of its population between 1970 and 1990.

Opposition to modified annexation procedures in South Carolina has come traditionally from groups which view city growth and expansion as threatening and from electric cooperatives which fear losing the ability to serve areas that become part of the city limits. (Municipalities are granted the constitutional power to determine the utility provider within the city limits.) Special purpose districts (of which there are over 400 in this state) oppose increased municipal annexation activities for similar reasons.

(21) Sunday Liquor Sales

Sunday liquor sales are prohibited in South Carolina except in bars and restaurants in communities which pass a referendum allowing them (local option). Only 3 counties (Charleston, Lexington and Richland) and 9 municipalities (Atlantic Beach, Beaufort, Edisto Beach, Hilton Head Island, Myrtle Beach, North Myrtle Beach, Port Royal, Santee and Tega Cay) currently allow Sunday sales. However, even in these locations, only restaurants which pay \$150 a week for a special license can sell liquor. The Hospitality Association of South Carolina, a coalition of hotels, motels and restaurants, has announced that it plans to seek

statewide Sunday liquor sales. Their proposal would allow restaurants to sell liquor on Sundays regardless of their location upon purchasing a yearly license. Advocates of this change claim that the state loses a great amount of money, especially in counties bordering North Carolina (where some counties allow grocery and convenience stores to sell beer and wine), by prohibiting the sale of beer, wine and liquor on Sundays.

Representative Roland Corning has announced that during the coming session he will introduce legislation allowing statewide Sunday beer and wine sales not only in bars and restaurants but also in grocery and convenience stores. Under his legislation, establishments wishing to sell beer and wine seven days a week would pay \$2,500 yearly. Representative Corning claims that most establishments would buy the seven-day licenses, bringing \$28 million to the state coffers. Opponents claims that Sunday sales would result in additional alcohol-related deaths and increased costs for alcohol treatment and insurance.

(22) Mini Bottles

A proposal to abolish the mini-bottle and allow free-pouring of alcohol in bars and restaurants (introduced as H. 4465 last session) could resurface in 1993. To get this change in motion, the General Assembly would have to pass legislation calling for a statewide referendum because it would require a voter-approved change in the State Constitution. South Carolina is the only state in the nation that requires liquor in bars and restaurants to be sold in minibottles. The State stands to lose millions in tax revenue if the minibottle is eliminated, as minibottles now bring in four times the taxes as the same amount of liquor bought in a large bottle. Proponents of the change argue that the minibottle gives a person more alcohol per drink than in the typical freepour state. They also assert that the change would better position South Carolina to attract meetings and conventions from out-of-state groups because state hotels have difficulty competing when such groups want alcohol included in the package; the minibottle makes the cost much higher per drink. In addition, minibottles create a larger volume of physical waste, so they are also a greater recycling problem than larger bottles.

(23) Abortion

During the 1991-1992 session there were several bills introduced on this subject. One bill, H. 3652, would have prohibited abortion except for cases when the mother's life was endangered or if she faced great bodily injury or harm if she carried the pregnancy to term. Another bill, H. 3866, was an informed consent measure which would have prohibited an abortion from being performed without the voluntary and informed consent of the woman, except in cases of medical emergency.

Last summer, in Planned Parenthood v. Casey, the U.S. Supreme Court upheld several provisions of Pennsylvania's Abortion Control

Act, including a 24-hour waiting period before an abortion can be performed and parental consent for minors seeking abortions. The Court, however, ruled unconstitutional the requirement that a wife notify her husband before obtaining an abortion. Recently, the U.S. Supreme Court upheld a lower court's ruling which declared Guam's prohibition against virtually all abortions as unconstitutional. Louisiana's restrictive abortion law may come before the Supreme Court this year. Approved in 1991, Louisiana's measure forbids abortion except in cases of rape or incest or when the mother's life is endangered. This case, if it reaches the High Court, may determine whether Roe v. Wade is overturned.

An informed consent measure may be introduced again during the 1993 session, and if the U.S. Supreme Court overturns Roe v. Wade, a concerted effort may be made again in South Carolina to restrict abortions.

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